



State of Arizona  
Department of Education

**SCHOOL FINANCE MEMORANDUM 20-013**

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**TO:** School District Superintendents and Business Managers, Career Technological Education District Superintendents and Business Managers

**FROM:** Lyle Friesen, Deputy Associate Superintendent of School Finance

**DATE:** September 3, 2019

**SUBJECT:** September 3, 2019 Basic calculations for Equalization Assistance Report (APOR 55-1) and Equalization Assistance and Additional State Aid Detail Report (APOR 64-1)

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Please be advised that the September 3, 2019 apportionment has been completed. The apportionment reports applicable to the FY 2020 equalization payment for your school district are posted on your district's home page of the ADE web site, available by district selection [here](#). If you need help finding or viewing these reports, please contact ADE Support at 602-542-7378 or toll free at (866) 577-9636.

**Items included in the September 3, 2019 APOR calculations:**

**Student Counts:** The September 3, 2019 apportionment has been based on FY2019 AzEDS results as of July 15, 2019 for most LEAs, but there are over 50 School Districts being paid on FY2020 AzEDS results as of August 13, 2019. Please see the posted [Hot Topic](#). **It is our expectation that FY2020 AzEDS results will be used in the calculation of your Base Support Level for all LEAs, beginning with the October 1, 2019 payment.** If you have questions or concerns regarding the student counts, please contact the account analyst team. The analyst team may be reached at [SFAAnalystTeam@azed.gov](mailto:SFAAnalystTeam@azed.gov)

**State Aid Rollover:** Pursuant to Laws 2019, Section 170, the Arizona Department of Education shall defer, until July 1, 2020 but no later than July 12, 2020, \$930,727,700 of the basic state aid and additional state aid payment that otherwise would be apportioned to school districts during fiscal year 2019-2020. The FY20 rollover amounts are included in the September 3 payment APOR64-1.

**Transportation Support Level (TSL):** Route miles from FY2019 were reflected in the September 3, 2019 equalization calculation. Please check your comparative miles report (TRAN40-2) if your route miles do not match your route report. Please email the account analyst team if you have any questions or concerns regarding this report.

**Additional State-Aid:** The FY2019 Additional State Aid amounts have been used in lieu of FY2020 amounts. These amounts will be updated once we receive Additional State Aid figures for FY2020 from the Department of Revenue; which we expect to be in October 2019.

**Assessed Valuations:** Tax Year 2019 values by district and county were used in the calculation of state aid in FY2020 beginning with the August 1, 2019 apportionment. These values are provided by the AZ Department of Revenue.

**SRP Voluntary Contributions:** SRP amounts are rolled over from Tax Year 2018; these amounts will be updated once we receive the Tax Year 2019 voluntary contribution figures from SRP, which we expect to be in December 2019.

**GPLET Value:** Tax Year 2018 values by district were used in the calculation of state aid in FY2020 for the September 3, 2019 apportionment. These values will be updated when the Tax Year 2019 values are provided by the Counties, which we expect to be in December 2019.

**County Equalization Tax Rate:** The county equalization tax rate established pursuant to A.R.S. § 15-994 is in effect for FY2020 and was included in the APOR 59-1 and APOR 64-1 calculations beginning with the August 1, 2019 apportionment payment.

**District Additional Assistance Reductions:** The preliminary DAA reductions have been included and are shown on page 5 of the APOR 55-1. A list may be found under SF hot topics here: [Preliminary FY20 DAA Reductions](#)

**K-3 Reading:** To receive funding, all districts must submit a plan to the State Board of Education for approval. K-3 reading funding will be released once we receive approval from the State Board of Education. For questions on the timing of your Board approval, please contact the Move On When Reading department at [MoveOnWhenReading@azed.gov](mailto:MoveOnWhenReading@azed.gov)

**FY2019 Statewide Recalculation:** The Fiscal Year 2019 Statewide Equalization Recalculation has been completed. The positive adjustments were included in the September 3rd payment as lump sum adjustments through the APOR64-1 report. Negative adjustments will be included in the October 1<sup>st</sup> payment and will be taken over the entire fiscal year; 3/12ths taken in October and 1/12th each payment thereafter. A complete list of adjustments can be found in the posted Hot Topic [FY2019 Statewide Recalculation](#)

**Audit Expense Adjustment and Type 03 High School Tuition:** All adjustments have been included on your September 3, 2019 apportionment based on your submitted adopted budget as of July 30, 2019. The chart below outlines the locations in which reporting by the District may have been required:

Adjustment	Source	Location	Cell
Audit Expense	2020 Expenditure Budget	Page 2	O8
	2020 Expenditure Budget	Data Entry	L53
	2018 Annual Financial Report	Page 8	O21
Type 03 Tuition	2020 Expenditure Budget	Calculations	I218
	2020 Expenditure Budget	Data Entry	L122

**Please Note:** FY 2020 AzEDS ADM, SPED, and ELL results as of 5pm September 10, 2019 will be used for the calculation of the Base Support Level for all districts in the October 1, 2019 calculation of state aid. Please check your ADM20, SPED20, and ELL20 reports, which are available via [ADEConnect](#). Please contact the School Finance Analyst Team at [SFAlystTeam@azed.gov](mailto:SFAlystTeam@azed.gov) with questions regarding these reports. A list of the [data capture dates for FY 2020 payments](#) is posted on the School Finance page.

If you have any questions regarding the content of your district's APOR reports, please contact the Payment Team via email at [SFPaymentTeam@azed.gov](mailto:SFPaymentTeam@azed.gov)